

Honolulu, Hawaii

March 24, 2016

RE: S.B. No. 2731
S.D. 1
H.D. 1

Honorable Joseph M. Souki
Speaker, House of Representatives
Twenty-Eighth State Legislature
Regular Session of 2016
State of Hawaii

Sir:

Your Committee on Education, to which was referred S.B. No. 2731, S.D. 1, entitled:

"A BILL FOR AN ACT RELATING TO SCHOOLS,"

begs leave to report as follows:

The purpose of this measure is to help address the need for school infrastructure amid the construction of new housing units by:

- (1) Establishing and appropriating funds for a School Impact Fee Review Task Force; and
- (2) Clarifying that if a new residential development within a designated school impact district requires a county subdivision approval, county building permit, or condominium property regime approval, then the developer must also fulfill certain impact fee requirements of the Department of Education, even if the projects are processed pursuant to section 46-15, Hawaii Revised Statutes, or section 201H-38, Hawaii Revised Statutes, with the involvement of the Hawaii Housing Finance and Development Corporation or a corresponding county agency.

The Hawaii Housing Finance and Development Corporation, Building Industry Association of Hawaii, and Chamber of Commerce of Hawaii supported this measure. The Hawaii State Teachers

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Association supported the measure with amendments. The Department of Education submitted comments.

Your Committee has amended this measure by:

- (1) Deleting the establishment of and appropriation of funds for the School Impact Fee Review Task Force;
- (2) Providing that in urban Honolulu, fee in lieu funds may be used to purchase completed construction, construct new school facilities, improve or renovate existing structures for school use, or lease land or facilities for school use;
- (3) Changing its effective date to July 1, 2050; and
- (4) Making technical, nonsubstantive amendments for clarity, consistency, and style.

As affirmed by the record of votes of the members of your Committee on Education that is attached to this report, your Committee is in accord with the intent and purpose of S.B. No. 2731, S.D. 1, as amended herein, and recommends that it pass Second Reading in the form attached hereto as S.B. No. 2731, S.D. 1, H.D. 1, and be referred to your Committee on Finance.

Respectfully submitted on
behalf of the members of the
Committee on Education,



ROY M. TAKUMI, Chair



